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ABSTRACT

Beginning in 1980, legislation in six states to establish a Children's Trust Fund has been enacted. The legislation creates new sources of support for preventive services in the area of child abuse in Kansas, Washington, Iowa, Virginia, Michigan, and California. To show how the trust-fund concept has been and can be adapted to different political and practical demands, this working paper briefly reviews the history and basic characteristics of the Children's Trust Fund and examines the provisions of the various legislative enactments in a state-by-state comparison. Appended are copies of legislation establishing the Children's Trust Fund in Kansas and Michigan, along with a summary of Michigan legislation. (RH)

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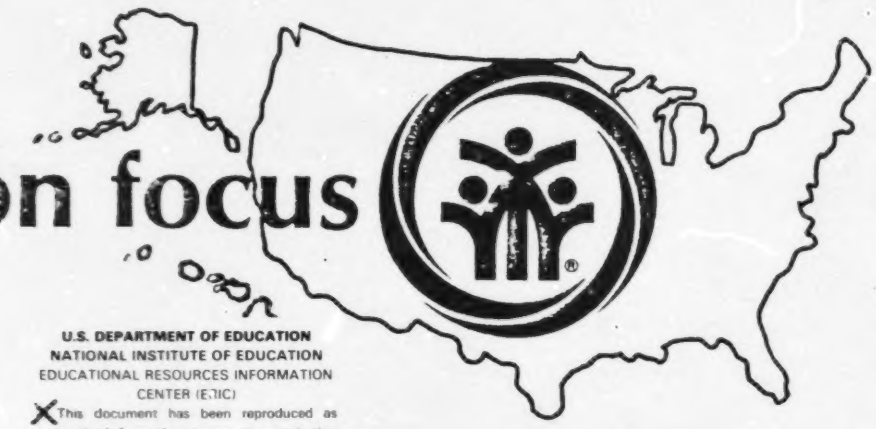

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Working Paper 005

AN INTRODUCTION TO THE CHILDREN'S TRUST FUND

Thomas L. Birch

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CHILDREN'S TRUST FUND

Thomas L. Birch

The Children's Trust Fund is catching on as a winning approach to funding programs for preventing child abuse.

Beginning in 1980, advocates for abused and neglected children have gotten enacted in six states -- Kansas, Washington, Iowa, Virginia, Michigan and California -- legislation that creates new sources of support for preventive services. Legislators in other states are looking at the possibility of introducing the Children's Trust Fund in their own assemblies. This idea has impetus behind it.

The Children's Trust Fund was first conceived by Dr. Ray E. Helfer, a pediatrician nationally recognized in the field of child abuse and at that time a vice president of the National Committee for Prevention of Child Abuse.

Prevention is the focus of Helfer's idea.

In an era of diminishing governmental budgets and scrutiny of public responsibilities, the Children's Trust Fund has emerged with a unique funding solution to boost programs for preventing child abuse.

There are two aspects to the Children's Trust Fund. One, an advisory group to establish priorities for distributing the fund is created from individuals with a demonstrated interest in preventing child abuse. Second, money to build the fund is generated by surcharges on marriage licenses, birth certificates or divorce decrees, or by specially designated refunds of income tax.

Here's how the Children's Trust Fund has taken shape so far.

Kansas became the first state, on April 16, 1980, to create this select funding mechanism for programs to prevent child abuse. One piece of legislation increased the fee for a marriage license with a surcharge of seven dollars. The extra money goes into a new Family and Children's Trust Fund. Each year approximately $130,000 are generated to support community-based programs for preventing child and family abuse.

Another bill passed the Kansas legislature at the same time establishing a 14-member Children and Youth Advisory Committee. It consists of nine state agency members and five individuals appointed by the governor from interested citizens representing children and youth. This advisory body acts as the advocate for children in the governor's office. Its members advise state agencies serving children and recommend statutory policy to the governor and the legislature.

In Kansas, the Division of Services to Children and Youth administers the Family and Children's Trust Fund under the guidance of the advisory committee.

Grants, limited to $15,000, go to community-based preventive projects or educational programs. For example, a play program for children who have been under stress because of violence at home has been supported by the trust fund. Other money went to train volunteers as advisers to new parents. A coalition for developing primary prevention services has been helped, and assistance was given to a self-care educational course for elementary school-aged "latch-key" children.

The five other states that have established Children's Trust Funds, all with legislation enacted in 1982, are not as far along, of course, as Kansas, yet we can see in those cases how the design for this approach allows flexibility.

Virginia, Washington and Iowa, like Kansas, increase the fees for marriage licenses. California's new law puts a surcharge on copies of birth certjficates.

The state of Michigan takes a different tack. Legislation enables taxpayers to designate up to two dollars of their state income tax refund to the Children's Trust Fund. Part of each year's receipts go to fund programs. The rest is invested and earnings are credited to the trust fund. The refund check-off will be halted when the fund reaches $20 million. After that, programs will be financed from interest on the money in the account.

In some states, policy prohibits establishing a specially designated fund of state money. In those cases, like Virginia and Iowa, the extra fees from marriage licenses go into general revenues and are then passed along to support preventive programs in child abuse.

The composition of the advisory committee varies, too, from state to state. The Michigan statute mandates a board of fifteen; in Iowa, five members comprise the advisory council. Some states must include specified heads of governmental agencies on their boards; others draw all their members from among the public. The governors make appointments in some cases; elsewhere legislative leaders also have appointees.

Typically, the Children's Trust Fund program is administered through the state department of social services, but, again, there are dissimilarities. Michigan's Child Abuse and Neglect Prevention Board is an autonomous agency within the Department of Management and Budget. The Washington Council on Child Abuse and Neglect is an entity within the governor's office.

Political considerations dictated other strategies in the states' laws. For example, the Kansas legislation provides that none of the trust fund's money may be used for services in abortion. In Virginia, and Kansas as well, trust funds are shared between programs to prevent child abuse and services for battered women.

The variability of the Children's Trust Fund is one of its strengths. It presents a model for support of programs to prevent child abuse that is easily adapted to the political exigencies of a state. In a time of limited funding for social services programs, the Children's Trust Fund has been advanced in six states by chapters of the National Committee for Prevention of Child Abuse as a significant means to achieve their goal of preventing child abuse.

The Children's Trust Fund appeals to several concerns.

It takes the pressure off the regular state social services budget to fund often neglected protective services.

It fosters creation of community-based programs and shifts some

of the responsibility for planning to the community level.

Most importantly, the Children's Trust Fund focuses attention on services that can prevent child abuse and neglect.

State-by-State Comparison

By examining the separate provisions of states' Children's Trust Fund bills, we are able to see how the law's adaptability applies to diverse political and practical demands.

The following discussion traces the components of Children's Trust Fund legislation with examples from state laws to illustrate the variety of responses. The field is rich with models that might suit any state's situation. Modifications are simply smart reaction to political truth.

Legislative findings: A bill sometimes begins with a statement of facts and purpose that set the theme of the legislation.

The Washington act recognizes child abuse and neglect as threats to the family and expensive to society.

The bill states a need to assist public and private agencies in establishing community based educational and service programs to prevent child abuse. The stated intent of the legislation is the increase of preventive programs to help reduce the breakdown of families and reduce the need for state intervention and state expense.

Advisory body: Legislation establi[illegible]es a board advising on policy for the Children's Trust Fund. The board is composed of a stated number of individuals representing particular interests in the prevention of child abuse.

The Michigan Child Abuse and Neglect Prevention Board comprises fifteen members: director of social services; director of mental health; director of public health; superintendent of public instruction; director of the department of state police; and ten public members appointed by the governor, with senate approval, for terms of three years, including the chair.

The Michigan public members must have a knowledge of child abuse and neglect; represent the state's population; and be representative of labor, business, religion, the legal community, and professionals and volunteers in child abuse preventive services.

Washington's 11-member Co[illegible]ncil on Child Abuse and Neglect includes the chair and four members appointed by the governor from the public who are selected for their interest and expertise in the prevention of child abuse. The secretary of social and health services and the superintendent of public instruction serve with the governor's appointees as voting members. Four additional appointees are legislators named by the House and Senate majority and minority leaders serving as non-voting members.

In Virginia, the Advisory Committee is established not by legislation

but through the implementation plan for the Virginia Family Violence Prevention Program. Its nine to eleven members are selected by the commissioner of welfare from volunteers and advocates for abused children, providers of services, and corporate and business people. The Virginia Chapter of the National Committee for Prevention of Child Abuse and Virginians Against Domestic Violence may each recommend up to twelve appointees to the Advisory Council. Staff of the department of welfare may also make recommendations.

(The Virginia implementation plan was developed by the department of welfare.)

The Kansas Children and Youth Advisory Committee is composed of fourteen members who elect their own chair and officers. Five public members appointed by the governor for three-year terms comprise interested citizens representing children and youth. The other committee members include: secretary of health and environment; secretary of social and rehabilitation services; secretary of human resources; commissioner of education; chief justice of the Kansas supreme court; two senators appointed by the president of the senate ; and two representatives appointed by the speaker of the house.

Iowa's legislation provides for a five-citizen advisory council.

In California the Children's Trust Fund is administered at the county level. Policy is directed by county multidisciplinary councils which advise the county boards of supervisors.

Location of the board: The placement of the board within the state's governmental structure has an impact on the board's visibility and political strength.

The Washington council is attached to the governor's office.

The council in Iowa works through the department of social services.

Virginia's committee advises the department of welfare.

In Michigan, the board is located in the department of management and budget.

Duties of the board: The basic responsibility of the board is to advise on state policy for preventing child abuse and neglect. Legislation may provide a detailed list of these duties.

The Michigan board :

- meets at least twice a year;
- develops state plans biennially for distributing trust funds;
- provides for information on local councils and preventive programs;
- develops criteria for awarding trust fund money;
- monitors expenditure of the trust fund;
- encourages development of programs and disseminates information about child abuse; and
- recommends legislative changes to the governor and legislature.

The Washington board:

- contracts for programs;

• facilitates exchange of information among groups concerned with children and families; and

• consults with state agencies about effectiveness, fiscal soundness and need for proposed programs.

The Kansas board:

• advocates for children in the governor's office and in public and private agencies;

• encourages awareness to the needs of children;

• reviews and recommends planning and coordination of children's programs; and

• reports annually to the governor and the legislature evaluating the program.

Eligible grantees: Eligibility requirements are designed to promote the establishment of local programs for the prevention of child abuse.

Virginia solicits grant applications from public and private nonprofit organizations which can match funds with local resources and demonstrate an ability to continue the project after the grant has been terminated. Rural areas must receive an equitable share of the funds.

Michigan recognizes three classes of grantees.

Private nonprofit or public organizations must receive the approval of local councils, provide a match of 50 percent in money or in kind, and be able to provide consultation on program development.

Eligibility is extended to local councils which do not provide

direct services but whose purpose is the development of community prevention programs. They too must match their grant funds and demonstrate an ability to help in the development of preventive programs.

The Child Abuse and Neglect Prevention Board is also eligible for support to defray its expenses in administering the trust fund.

Washington's legislation enumerates the kinds of programs that are eligible: 1) community-based educational programs on prenatal care, perinatal bonding, child development, basic child care, care of children with special needs, and coping with family stress; and 2) community-based programs of crisis care, aid to parents, child abuse counseling, support groups for abusive or potentially abusive parents and their children, and early identification of families with potential for abuse and neglect.

Consideration in awarding the grants in Washington, which must be matched with 25 percent of the funding in money or in-kind, is given to the program's need, geographic distribution of grantees, the potential for enhancing existing services, and the program's use of volunteers.

In California grants will go to private nonprofit organizations giving direct services in prevention and intervention.

Funding the fund: The model of a Children's Trust Fund established through surcharges on marriage, birth, or divorce certificates as a separate account has been modified to meet a state's requirements.

Virginia added $7 to the marriage license for a Family Trust Fund. $400,000 is expected annually which goes into general revenues and then

appropriated to the fund, to be divided evenly between child abuse and domestic violence projects.

The Children's Trust Fund in California receives $4 for each copy of a birth certificate. The total amount generated in the state is estimated to be $4 million annually. All but approximately $500,000 will remain in the counties where the birth certificates were ordered, with the remainder going to the state. As in other states, the California fund may receive additional state appropriations and gifts.

In Washington, the fee for a marriage license was increased by $5 to support the Children's Trust Fund, expecting to receive $470,000 each year.

Iowa also added $5 to the fee for a marriage license. The money goes into the state's general revenues and is paid out to support the activities of the Children's Trust Fund. Appropriations are projected to reach $110,000 in the first year.

The Michigan's Children's Trust Fund of a check-off on the state income tax form. A taxpayer may designate up to $2 of the state income tax refund to the fund. The money goes into a separate fund in the department of treasury. Half the funds may be spent each year. The rest is invested and earnings are credited to the trust fund.

When the fund exceeds $20 million, the refund check-off will be terminated and child abuse preventive programs will be financed from the interest on the money in the account.

Some six million Michigan taxpayers receive refunds each year on their state income tax and it is hoped that a million people will check off the $2 donation.

The Kansas legislation establishing a Children's Trust Fund added $7 to the marriage license fee, part of which goes into the state's general fund with the bulk of the extra fee earnings supporting programs in child abuse prevention. Kansas anticipates an annual yield of $130,000.

Sample statutes: Attached are copies of the legislation introduced in Kansas and Michigan to establish the Children's Defense Fund.

For additional information from states that have enacted legislation, please contact the following:

Kansas -- January Scott 913/354-7738

Washington -- Nancy Gode 206/343-2590

Virginia -- Sue Gibson 804/423-3983

Iowa -- Norm Ostbloom 515/281-6327

Michigan -- Sharon Shay 517/484-8444

California -- Linda Almdale 707/443-5641

More to follow: An expanded manual on the Children's Trust Fund will be available soon from the National Committee for Prevention of Child Abuse. It will include material on implementation of a trust fund.

SENATE BILL No. 609

By Senators Smith, Allegrucci, Burke, Feleciano, Gannon, Hess, McCray, Meyers and N. Parrish

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AN ACT concerning marriage (; relating to marriage) licenses; providing for issuance thereof in duplicate; increasing the registration fee therefor; establishing the family and children trust fund; and providing for the deposit of certain fees in such fund; amending K.S.A. (23-101 and) 23-105 and K.S.A. 1979 Supp. 23-107, 23-107a, 23-108, 23-109 (and) 23-110; and repealing the existing sections.

Be it enacted by the Legislature of the State of Kansas:

(Section 1. K.S.A. 23-101 is hereby amended to read as follows: 23-101. The marriage contract is to be considered in law as a civil contract between two parties who are of opposite sex, to which the consent of the parties is essential; and the marriage ceremony may be regarded either as a civil ceremony or as a religious sacrament, but the marriage relation shall only be entered into, maintained or abrogated as provided by law.)

(Sec. 2). K.S.A. 23-105 is hereby amended to read as follows: 23-105. All marriages occuring within the state shall be registered under the supervision of the secretary of health and environment as provided in K.S.A. 1979 Supp. 65-102.

Sec. 3. K.S.A. 1979 Supp. 23-107 is hereby amended to read as follows: 23-107. The forms for license shall be furnished by the secretary of health and environment and shall contain a part in duplicate to be detached and issued to the (applicant) therefor for delivery to the person who performs the marriage ceremony, and also a part to remain as a stub for the record of the clerk or judge.

Sec. 4. K.S.A. 1979 Supp. 23-107a is hereby amended to read as follows: 23-107a. The forms delivered to each duly authroized officiating person by the judge of the district court evidencing proof of the filing by such person of his or her credentials or other proof of official character shall be prepared by the secretary of health and environment and supplied to such judges.

Sec. 5. K.S.A. 1979 Supp. 23-108 is hereby amended to read as follows: 23-108. The judge or clerk of the district court shall collect from the (applicant) for said marriage license a registration fee of ten dollars ($10).

Sec. 6. K.S.A. 1979 Supp. 23-109 is hereby amended to read as follows: 23-109. Every person who performs a marriage ceremony under the provisions of this act shall endorse his or her certificate of the marriage on the license, give the duplicate copy thereof to the parties to the marriage, and return the license, within ten (10) days after such marriage, to the judge or clerk of the district court who issued the same. The judge or clerk shall enter the same on the marriage record in his or her office and shall forward, not later than the third day of each month, to the secretary of health and environment the license and certificate of marriage, together with a statement of the names of the parties and the name and address of the party who performed the marriage ceremony and shall remit to the secretary of health and evnironment the ten dollars ($10) provided for in K.S.A. 1979 Supp. 23-108 and amendments thereto. In case no marriage license has been issued by the judge or clerk of the district court during the month, the judge or clerk shall promptly notify the secretary of health and environment to that effect on a form provided for that purpose.

Sec. 7. K.S.A. 1979 Supp. 23-110 is hereby amended to read as follows: 23-110. The secretary of health and enviornment shall index all records thus received and, when applied to, shall issue a certified copy of the same which shall be prima facie evidence in all courts and places of the facts stated therein. For each certified copy a fee shall be paid to the secretary in an amount prescribed in accordance with K.S.A. 1979 Supp. 65-2418 and amendments thereto and to be disposed of in the manner provided therein. The secretary shall keep an accurate account of all fees received from the judges of the district court and all other sources. Such secretary shall remit all moneys received by or for such secretary from the marriage license fee provided for by K.S.A. 1979 Supp. 23-108 and amendments thereto to the state treasurer at least monthly. Upon receipt of each such remittance the state treasurer shall deposit the entire amount thereof in the state treasury. Twenty percent (20%) of each such deposit shall be credited to the state general fund and of the balance of each such deposit, seventy percent (70%) shall be credited to the family and children trust fund, and thirty percent (30%) shall be credited to the vital statistics fee fund. All expenditures from the family and children trust fund shall be made in accordance with section 4 (10), and all expenditures from the vital statistics fee fund shall be made in accordance with K.S.A. 1979 Supp. 65-2418.

New Sec. 4 (8). (a) There is hereby created in the state treasury the family and children trust fund. The secretary of social and rehabilitation services may apply for, receive and accept grants, gifts and bequests from any source, governmental or private, for the purposes for which money may be expended from the family and children trust fund under subsection(b), and the secretary shall remit all moneys so received to the state treasurer at least monthly. Upon receipt of any such remittance the state treasurer shall deposit the entire amount thereof in the state treasurer and the same shall be credited to the family and children trust fund.

(b) Moneys in the family and children trust fund shall be used for the following purposes: (1) Matching federal moneys to purchase services relating to community-based programs for the prevention of problems of families and children; (2) providing start-up or expansion grants for community-based prevention projects or educational programs for the problems of families and children, primarily but not limited to, child abuse and neglect and family abuse; and (3) study and evaluate community-based prevention projects and educational programs for the problems of families and children. For the purpose of this subsection(b), "educational programs" shall include instructional and demonstration programs whose main purpose is to diseminate information and techniques or to provide services for the prevention of problems of families and children. (No moneys in the family and children trust fund shall be used for the purpose of providing services for the voluntary termination of pregnancy.)

(c) The advisory committee to the division of services to children and youth established by K.S.A. 75-5325, or its successor, shall advise the secretary and the director of services to children and youth in detail on the expenditures of moneys in the family and children trust fund.

(d) All expenditures from the family and children trust fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary of social and rehabilitation services or by a person or persons designated by the secretary.

(e) The secretary shall designate the director of services to children and youth to exercise the powers and perform the duties granted to and imposed upon the secretary under this section.

Sec. (9). K.S.A. (23-101 and) 23-105 and K.S.A. 1979 Supp. 23-107, 23-107a, 23-108, 23-109, (and) 23-110, are hereby repealed.

Sec.(10). This act shall take effect and be in force from and after its publication in the statute book.

SENATE BILL No. 677

By Senators Steineger and Norvell

AN ACT concerning the department of social and rehabilitation services; establishing a children and youth advisory committee and providing for the powers, duties and functions thereof; creating the social and rehabilitation services review commission and providing for the powers, duties and functions thereof; and repealing K.S.A. 75-5325.

Be it enacted by the Legislature of the State of Kansas:

Section 1. (a) There is hereby established the children and youth advisory committee to the division of services to children and youth, the secretary of health and environment, the secretary of social and rehabilitation services, the secretary of human resources and the commissioner of education. The advisory committee shall consist of fourteen (14) members as follows: The secretary of health and environment or the secretary's designee; the secretary of social and rehabilitation services or the secretary's designee; the secretary of human resources or the secretary's designee; the commissioner of education or the commissioner's designee; the chief justice of the supreme court of Kansas or the chief justice's designee; two members of the senate appointed by the president of the senate; two members of the house of representatives appointed by the speaker of the house of representatives; and five members appointed by the governor.

(b) In making appointments to the advisory committee, the governor shall consider, interested citizens representing children and youth. The members appointed by the governor shall serve for terms of three years and until their successors are appointed and qualified, except that of the members first appointed to the advisory committee by the governor, one shall be appointed for a one-year term, two for a two-year term and two for a three-year term. The term of office of each of the members first appointed by the governor shall be designated by the governor to fill a vacancy occurruing among the members appointed by the governor shall serve for the remainder of the unexpired term.

(c) The advisory committee shall elect annually a chairperson, vice-chairperson and secretary from among its members.

(d) The secretary of social and rehabilitation services shall provide office space and staff assistance to the children and youth advisory committee.

(e) The provisions of the Kansas sunset law apply to the children and youth advisory committee established by this section and said committee is subject to abolition thereunder.

Sec. 2. The children and youth advisory committee established by section I shall:

(a) Provide advocacy for children in the governor's office and other public and private, state and local agencies affecting children;

(b) encourage citizen and community awareness as to the needs and problems of children;

(c) advise the governor and the legislature on the needs and problems of children;

(d) review and make recommendations concerning planning and coordination of programs for children; and

(e) prepare and submit to the governor and the legislature an annual report evaluating the level and quality of all programs, services and facilities provided to children by state agencies.

Sec. 3. Members of the children and youth advisory committee established by section 1 attending meetings of such committee, or attending a subcommittee meeting thereof authorized by such committee, shall be paid amounts provided in subsection (e) of K.S.A. 75-3223 and amendments thereto from moneys appropriated to the department of social and rehabilitation services. The children and youth advisory committee shall hold no more than six meetings during any one calendar year.

Sec. 4. The advisory committee to the division of services to children and youth established by K.S.A. 75-5325 is hereby abolished, and the children and youth advisory committee established by section 1 shall be the successor to all the powers and duties thereof.

Sec. 5. (a)Except as provided in K.S.A. 1979 Supp. 74-7237, the children and youth advisory committee established by section 1 shall be and is hereby abolished on July 1, 1986.

(b) The provisions of this section shall be a part of and supplemental to the Kansas sunset law.

Sec. 6. (a)There is hereby created the social and rehabilitation services review commission, hereinafter referred to as the commission, which shall consist of nine(9) members as follows: (1) Three members appointed by the governor who shall represent the general public; (2) two members appointed by the president of the senate from among the members of the senate; (3) two members appointed by the speaker of the house of representatives from among the members of the house of representatives; (4) one member appointed by the minority leader of the senate from among the members of the senate; and (5) one member appointed by the minority leader of the house of representatives from among the members of the house of representatives.

(b) The members of the commission shall be appointed for terms which shall expire upon the date of expiration of this section under section 10. Upon the vacancy of a position on the commission, the person appointing the member whose position is vacant, or the successor to the position of the person appointing such member, shall appoint a person to fill such vacancy.

(c) The commission shall elect annually a chairperson and vice-chairperson from among its members. The commission shall meet on the call of the chairperson or on the request of five members of the commission. Six members of the commission shall constitute a quorum.

Sec. 7. The social and rehabilitation services review commission shall:

(a) Study and evaluate the administrative structure and functioning of the department of social and rehabilitation services;

(b) Review the effectiveness of the administration of programs and functions of the department of social and rehabilitation services;

(c) Review rules and regulations adopted by the secretary of social and rehabilitation services to determine whether such rules and regulations assist or hinder in the administration of programs and functions by the department;

(d) Evaluate the level and quality of all programs, services and facilities provided to children by the department of social and rehabilitation services;

(e) Evaluate the level and quality of all mental health and mental retardation programs, services and facilities provided to the citizens of this state by the department of social and rehabilitation services;

(f) Prepare and submit to the governor, the legislature and the secretary of social and rehabilitation services a report of its findings and recommendations on or before December 15 each year.

Sec. 8. The staff of the office of the revisor of statutes, the legislative research department and the division of legislative administrative services shall provide such assistance as may be requested by the commission and authorized by the legislative coordinating council. The legislative division of post audit shall provide such assistance as may be requested by the commission and authorized by the legislative post audit committee.

Sec. 9. The members of the commission attending meetings of such commission, or attending a subcommittee meeting thereof authorized by such commission, shall be paid compensation, subsistence allowances, mileage and other expenses as provided in K.S.A. 75-3223 and amendments thereto upon vouchers approved by the chairperson of the commission or a person or persons designated by the chairperson.

Sec. 10. The provision of sections 6 to 10, inclusive, shall expire on December 31, 1982.

Sec. 11. K.S.A. 75-5325 is hereby repealed.

Sec. 12. This act shall take effect and be in force from and after its publication in the statute book.

Children; create a children's trust fund.

Children; Funds; Treasury

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A bill to establish the state children's trust fund in the department of treasury; and to provide certain powers and duties of the department of treasury with respect to the trust fund.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 1. (1) The children's trust fund is created as a separate fund in the department of treasury. The fund shall be expended only as provided in this section.

(2) The state treasurer shall credit to the trust fund all amounts appropriated for this purpose under section 475 of the income tax act of 1967, Act No. 281 of the Public Acts of 1967, being section 206.475 of the Michigan Compiled Laws, and any amounts received under section 8 of the child abuse and neglect prevention act.

(3) The state treasurer shall invest trust fund money in the same manner as surplus funds are invested pursuant to section 3

of Act No. 105 of the Public Acts of 1855, as amended, being section 21.143 of the Michigan Compiled Laws. Earnings shall be credited to the trust fund.

(4) Until the total amount of assets in the trust fund exceeds $20,000,000.00, not more than 1/2 of the money contributed to the trust fund each year, plus the earnings credited to the trust fund during the previous fiscal year, shall be available for disbursement upon the authorization of the state board as provided in section 9 of the child abuse and neglect prevention act. After such time that the state treasurer certifies that the assets in the trust fund exceed $20,000,000.00, only the earnings credited to the trust fund shall be available for disbursement upon the authorization of the state board as provided in section 9 of the child abuse and neglect prevention act.

Section 2. This act shall not take effect unless the following House Bills of the 81st Legislature are enacted into law:

(a) House Bill No. _____ (request no. 00855'81).

(b) House Bill No. _____ (request no. 04406'81 a *).

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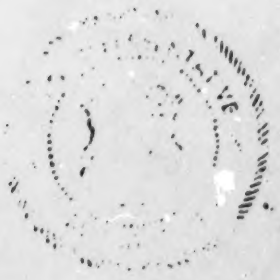
04406'81 * Final page.

Income tax; allow portion of refund to be designated for credit to the children's trust fund.

Taxation; Income tax; Children; Abuse



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A bill to amend section 475 of Act No. 281 of the Public Acts of 1967, entitled

"Income tax act of 1967,"

being section 206.475 of the Compiled Laws of 1970; and to add section 440.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Section 1. Section 475 of Act No. 281 of the Public Acts of 1967, being section 206.475 of the Compiled Laws of 1970, is amended and section 440 is added to read as follows:

SEC. 440. (1) EFFECTIVE FOR THE TAX YEAR BEGINNING JANUARY 1, 1983 AND UNTIL THE STATE TREASURER CERTIFIES THAT THE ASSETS IN THE CHILDREN'S TRUST FUND EXCEED $20,000,000.00, AN INDIVIDUAL WHO IS ENTITLED TO A TAX REFUND UNDER THIS ACT SUFFICIENT TO MAKE A DESIGNATION UNDER THIS SECTION MAY DESIGNATE THAT $2.00 OF HIS OR HER REFUND BE CREDITED TO THE CHILDREN'S

TRUST FUND. IN THE CASE OF A JOINT RETURN OF HUSBAND AND WIFE WHO ARE ENTITLED TO A TAX REFUND UNDER THIS ACT SUFFICIENT TO MAKE A DESIGNATION UNDER THIS SECTION, A DESIGNATION MAY BE MADE THAT $4.00 OF THEIR REFUND BE CREDITED TO THE CHILDREN'S TRUST FUND.

(2) THE TAX DESIGNATION AUTHORIZED IN THIS SECTION SHALL BE CLEARLY AND UNAMBIGUOUSLY PRINTED ON THE FIRST PAGE OF THE STATE INDIVIDUAL INCOME TAX RETURN.

Sec. 475. (1) The tax imposed by this act is in addition to all other taxes for which the taxpayer may be liable and the proceeds derived from the tax shall be credited to the general fund to be allocated and distributed as hereinafter provided.

(2) EACH YEAR THAT THE REFUND DESIGNATION PROGRAM ESTABLISHED IN SECTION 440 IS IN EFFECT, AN AMOUNT EQUAL TO THE CUMULATIVE DESIGNATIONS MADE UNDER SECTION 440 SHALL BE APPROPRIATED FROM THE GENERAL FUND TO THE CHILDREN'S TRUST FUND IN THE DEPARTMENT OF TREASURY FOR USE SOLELY IN SUPPORT OF THE PURPOSES PROVIDED IN THE ACT THAT CREATED THE CHILDREN'S TRUST FUND.

(3) ~~(2)~~ All remittances of taxes imposed by this act shall be made to the department by bank draft, check, cashier's check, money order, certificate of deposit, or money. No remittance other than cash is a final discharge of liability for the tax herein levied unless and until it has been paid in cash.

Section 2. This act shall not take effect unless the following House Bills of the 81st Legislature are enacted into law:

(a) House Bill No. ____ (request no. 00855'81).

(b) House Bill No. _____ (request no. 04406'81 *).

SUBSTITUTE FOR

HOUSE BILL NO. 4556

A bill to establish the state child abuse and neglect prevention board; to provide the powers and duties of the state child abuse and neglect prevention board; and to prescribe the powers and duties of certain state departments.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 1. This act shall be known and may be cited as the "child abuse and neglect prevention act".

Sec. 2. (1) As used in this act:

(a) "Child" means a person under 18 years of age.

(b) "Child abuse" means harm or threatened harm to a child's health or welfare by a person responsible for the child's health or welfare, which harm occurs or is threatened through nonaccidental physical or mental injury; sexual abuse, which includes a violation of section 145c of Act No. 328 of the Public Acts of

1931, as amended, being section 750.145c of the Michigan Compiled Laws.

(c) "Local council" means an organization which meets the criteria described in section 10.

(d) "Neglect" means harm to a child's health or welfare by a person responsible for the child's health or welfare which occurs through negligent treatment, including the failure to provide adequate food, clothing, shelter, or medical care.

(e) "State board" means the state child abuse and neglect prevention board created in section 3.

(f) "Prevention program" means a system of direct provision of child abuse and neglect prevention services to a child, parent, or guardian.

(g) "Trust fund" means the child abuse and neglect prevention trust fund established in the department of treasury.

Sec. 3. (1) The state child abuse and neglect prevention board is created as an autonomous agency within the department of management and budget. The state board shall exercise its powers and duties independently of the director of the department of management and budget except that budget, procurement, and related management functions shall be performed by the director of the department of management and budget.

(2) The governor shall appoint, with the advice and consent of the senate, an individual from a list of candidates submitted under section 5 as the executive director of the state board. The executive director shall not be a member of the state classified civil service.

(3) The executive director shall hire all staff required to exercise the powers and carry out the duties of the state board. The state board shall approve the number of staff members hired and their job descriptions. Each staff member shall be a member of the state classified civil service.

Sec. 4. (1) The state board shall be composed of the following 14 members:

(a) The director of social services, the director of mental health, the director of public health, the superintendent of public instruction, and the director of the department of state police, or designees authorized to speak on their behalf.

(b) Nine public members appointed by the governor with the advice and consent of the senate. As a group, the public members shall demonstrate knowledge in the area of child abuse and neglect prevention; shall be representative of the demographic composition of this state; and, to the extent practicable, shall be representative of all of the following categories: organized labor, the business community, the religious community, the legal community, professional providers of child abuse and neglect prevention services, and volunteers in child abuse and neglect prevention services.

(2) The term of each public member shall be 3 years, except that of the public members first appointed, 3 shall serve for 3 years, 3 for 2 years, and 3 for 1 year. A public member shall not serve more than 2 consecutive terms whether partial or full. A vacancy shall be filled for the balance of the unexpired term in the same manner as the original appointment.

(3) The governor shall designate a chairperson of the state board from among the public members, which chairperson shall serve in that position at the pleasure of the governor. The state board may elect other officers and committees as it considers appropriate.

(4) The actual and necessary per diem compensation and the schedule for reimbursement of expenses for the public members of the state board shall be the same as is established annually by the legislature for similar boards that are reimbursed from the general fund. The compensation and reimbursement, executive director and staff salaries, and all actual and necessary operating expenses of the state board shall be paid from the trust fund, pursuant to an authorization as provided in section 9.

Sec. 5. (1) The business which the state board performs shall be conducted at a public meeting of the state board held in compliance with the open meetings act, Act No. 267 of the Public Acts of 1976, as amended, being sections 15.261 to 15.275 of the Michigan Compiled Laws. Public notice of the time, date, and place of the meeting shall be given in the manner required by Act No. 267 of the Public Acts of 1976, as amended.

(2) A writing prepared, owned, used, in the possession of, or retained by the commission in the performance of an official function shall be made available to the public in compliance with Act No. 442 of the Public Acts of 1976, as amended, being sections 15.231 to 15.246 of the Michigan Compiled Laws.

Sec. 6. (1) The state board shall do all of the following:

(a) Meet not less than twice annually at the call of the chairperson.

(b) Transmit to the governor a list of individuals recommended to fill the position of executive director.

(c) One year after the original appointment of the state board, and biennially thereafter, develop a state plan for the distribution of funds from the trust fund. The plan shall assure that an equal opportunity exists for establishment of prevention programs and receipt of trust fund money among all geographic areas in this state. The plan shall be transmitted to the speaker of the house, the majority leader of the senate, to the governor, and to the appropriations committees of the house of representatives and the senate.

(d) Provide for the coordination and exchange of information on the establishment and maintenance of local councils and prevention programs.

(e) Develop and publicize criteria for the receipt of trust fund money by eligible local councils and eligible prevention programs.

(f) Review, approve, and monitor the expenditure of trust fund money by local councils and prevention programs.

(g) Provide statewide educational and public informational seminars for the purpose of developing appropriate public awareness regarding the problems of child abuse and neglect; encourage professional persons and groups to recognize and deal with problems of child abuse and neglect; make information about the problems of child abuse and neglect available to the public and

organizations and agencies which deal with problems of child abuse and neglect; and encourage the development of community prevention programs.

(h) Establish a procedure for an annual, internal evaluation of the functions, responsibilities, and performance of the state board. In a year in which the biennial state plan is prepared, the evaluation shall be coordinated with the state plan.

(2) The state board shall enter into contracts with public or private agencies to fulfill the requirements of subsection (1)(g) and may contract to fulfill the other requirements of subsection (1).

Sec. 7. The state board may recommend to the governor and the legislature changes in state programs, statutes, policies, budgets, and standards which will reduce the problem of child abuse and neglect, improve coordination among state agencies that provide prevention services, and improve the condition of children and parents or guardians who are in need of prevention program services.

Sec. 8. The state board may accept federal funds granted by congress or executive order for the purposes of this act as well as gifts and donations from individuals, private organizations, or foundations. The acceptance and use of federal funds does not commit state funds and does not place an obligation upon the legislature to continue the purposes for which the federal funds are made available. All funds received in the manner described in this section shall be transmitted to the state treasurer for deposit in the trust fund.

Sec. 9. (1) The state board may authorize the disbursement of available money from the trust fund for exclusively the following purposes, which are listed in the order of preference for expenditure:

(a) To fund a private nonprofit or public organization in the development or operation of a program if at least all of the following conditions are met:

(*i*) The appropriate local council has reviewed and approved the program. This subparagraph does not apply if a local council does not exist for the geographic area to be served by the program.

(*ii*) The organization demonstrates an ability to match, through money or in-kind services, 50% of the amount of any trust fund money received. Not more than 50% of the local match shall be in in-kind services. In-kind services are subject to the approval of the state board.

(*iii*) The organization demonstrates a willingness and ability to provide program models and consultation to organizations and communities regarding program development and maintenance.

(*iv*) Other conditions that the state board may deem appropriate.

(b) To fund local councils.

(c) To fund the state board created in section 3 for the actual and necessary expenses that the board incurs in performing its duties.

(2) Authorizations for disbursement of trust fund money under subsection (1)(c) shall be kept at a minimum in furtherance

of the primary purpose of the trust fund which is to disburse money under subsection (1)(a) and (b) to encourage the direct provision of services to prevent child abuse and neglect.

Sec. 10. In making grants to a local council, the state board shall consider the degree to which the local council meets the following criteria:

(a) Has as its primary purpose the development and facilitation of a collaborative community prevention program in a specific geographical area. The prevention program shall utilize trained volunteers and existing community resources wherever practicable.

(b) Is administered by a board of directors composed of an equal number of members from the following 2 groups:

(*i*) A representative from each of the following local agencies: the county department of social services, the department of public health, the department of mental health, the probate court, the office of the prosecuting attorney, a local law enforcement agency, a school district, and a number of private, local agencies that provide treatment or prevention services for abused and neglected children and their parents or guardians. The number of private agencies to be represented on the local council shall be designated in the bylaws of the local council by the remaining members.

(*ii*) Members of the local council elected by the membership. The elected members shall represent the demographic composition of the community served, as far as practicable.

(c) Does not provide direct services except on a demonstration project basis, or as a facilitator of interagency projects.

(d) Demonstrates a willingness and ability to provide prevention program models and consultation to organizations and communities regarding prevention program development and maintenance.

(e) Demonstrates an ability to match, through money or in-kind services, 50% of the amount of any trust fund money received. Not more than 50% of the local match shall be in in-kind services. In-kind services are subject to the approval of the board.

(f) Other criteria that the state board deems appropriate.

Sec. 11. Not later than 2 years after the effective date of this act, the state board shall promulgate rules pursuant to the administrative procedures act of 1969, Act No. 306 of the Public Acts of 1969, as amended, being sections 24.201 to 24.315 of the Michigan Compiled Laws.

Sec. 12. A thorough, independent review of the functions, responsibilities, and performance of the state board shall be completed each 5 years after the effective date of this act, and transmitted to the individuals listed in section 6(1)(c).

Sec. 13. This act shall not take effect unless the following House Bills of the 81st Legislature are enacted into law:

(a) House Bill No._____(request no. 04406'81).

(b) House Bill No._____(request no. 04406'81 a).

Income tax; allow portion of refund to be designated for credit to the children's trust fund.

Taxation; Income tax; Children; Abuse

A bill to amend section 475 of Act No. 281 of the Public Acts of 1967, entitled

"Income tax act of 1967,"

being section 206.475 of the Compiled Laws of 1970; and to add section 440.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Section 1. Section 475 of Act No. 281 of the Public Acts of 1967, being section 206.475 of the Compiled Laws of 1970, is amended and section 440 is added to read as follows:

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TRUST FUND. IN THE CASE OF A JOINT RETURN OF HUSBAND AND WIFE WHO ARE ENTITLED TO A TAX REFUND UNDER THIS ACT SUFFICIENT TO MAKE A DESIGNATION UNDER THIS SECTION, A DESIGNATION MAY BE MADE THAT $4.00 OF THEIR REFUND BE CREDITED TO THE CHILDREN'S TRUST FUND.

(2) THE TAX DESIGNATION AUTHORIZED IN THIS SECTION SHALL BE CLEARLY AND UNAMBIGUOUSLY PRINTED ON THE FIRST PAGE OF THE STATE INDIVIDUAL INCOME TAX RETURN.

Sec. 4[illegible]. (1) The tax imposed by this act is in addition to all other taxes for which the taxpayer may be liable and the proceeds derived from the tax shall be credited to the general fund to be allocated and distributed as hereinafter provided.

(2) EACH YEAR THAT THE REFUND DESIGNATION PROGRAM ESTABLISHED IN SECTION 440 IS IN EFFECT, AN AMOUNT EQUAL TO THE CUMULATIVE DESIGNATIONS MADE UNDER SECTION 440 SHALL BE APPROPRIATED FROM THE GENERAL FUND TO THE CHILDREN'S TRUST FUND IN THE DEPARTMENT OF TREASURY FOR USE SOLELY IN SUPPORT OF THE PURPOSES PROVIDED IN THE ACT THAT CREATED THE CHILDREN'S TRUST FUND.

(3) ~~(2)~~ All remittances of taxes imposed by this act shall be made to the department by bank draft, check, cashier's check, money order, certificate of deposit, or money. No remittance other than cash is a final discharge of liability for the tax herein levied unless and until it has been paid in cash.

Section 2. This act shall not take effect unless the following House Bills of the 81st Legislature are enacted into law:

(a) House Bill No. ____ (request no. 00855'81).

(b) House Bill No. ____ (request no. 04406'81 *).

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SUBSTITUTE FOR

HOUSE BILL NO. 4556

A bill to establish the state child abuse and neglect prevention board; to provide the powers and duties of the state child abuse and neglect prevention board; and to prescribe the powers and duties of certain state departments.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 1. This act shall be known and may be cited as the "child abuse and neglect prevention act".

Sec. 2. (1) As used in this act:

(a) "Child" means a person under 18 years of age.

(b) "Child abuse" means harm or threatened harm to a child's health or welfare by a person responsible for the child's health or welfare, which harm occurs or is threatened through nonaccidental physical or mental injury; sexual abuse, which includes a violation of section 145c of Act No. 328 of the Public Acts of

1931, as amended, being section 750.145c of the Michigan Compiled Laws.

(c) "Local council" means an organization which meets the criteria described in section 10.

(d) "Neglect" means harm to a child's health or welfare by a person responsible for the child's health or welfare which occurs through negligent treatment, including the failure to provide adequate food, clothing, shelter, or medical care.

(e) "State board" means the state child abuse and neglect prevention board created in section 3.

(f) "Prevention program" means a system of direct provision of child abuse and neglect prevention services to a child, parent, or guardian.

(g) "Trust fund" means the child abuse and neglect prevention trust fund established in the department of treasury.

Sec. 3. (1) The state child abuse and neglect prevention board is created as an autonomous agency within the department of management and budget. The state board shall exercise its powers and duties independently of the director of the department of management and budget except that budget, procurement, and related management functions shall be performed by the director of the department of management and budget.

(2) The governor shall appoint, with the advice and consent of the senate, an individual from a list of candidates submitted under section 5 as the executive director of the state board. The executive director shall not be a member of the state classified civil service.

(3) The executive director shall hire all staff required to exercise the powers and carry out the duties of the state board. The state board shall approve the number of staff members hired and their job descriptions. Each staff member shall be a member of the state classified civil service.

Sec. 4. (1) The state board shall be composed of the following 14 members:

(a) The director of social services, the director of mental health, the director of public health, the superintendent of public instruction, and the director of the department of state police, or designees authorized to speak on their behalf.

(b) Nine public members appointed by the governor with the advice and consent of the senate. As a group, the public members shall demonstrate knowledge in the area of child abuse and neglect prevention; shall be representative of the demographic composition of this state; and, to the extent practicable, shall be representative of all of the following categories: organized labor, the business community, the religious community, the legal community, professional providers of child abuse and neglect prevention services, and volunteers in child abuse and neglect prevention services.

(2) The term of each public member shall be 3 years, except that of the public members first appointed, 3 shall serve for 3 years, 3 for 2 years, and 3 for 1 year. A public member shall not serve more than 2 consecutive terms whether partial or full. A vacancy shall be filled for the balance of the unexpired term in the same manner as the original appointment.

(3) The governor shall designate a chairperson of the state board from among the public members, which chairperson shall serve in that position at the pleasure of the governor. The state board may elect other officers and committees as it considers appropriate.

(4) The actual and necessary per diem compensation and the schedule for reimbursement of expenses for the public members of the state board shall be the same as is established annually by the legislature for similar boards that are reimbursed from the general fund. The compensation and reimbursement, executive director and staff salaries, and all actual and necessary operating expenses of the state board shall be paid from the trust fund, pursuant to an authorization as provided in section 9.

Sec. 5. (1) The business which the state board performs shall be conducted at a public meeting of the state board held in compliance with the open meetings act, Act No. 267 of the Public Acts of 1976, as amended, being sections 15.261 to 15.275 of the Michigan Compiled Laws. Public notice of the time, date, and place of the meeting shall be given in the manner required by Act No. 267 of the Public Acts of 1976, as amended.

(2) A writing prepared, owned, used, in the possession of, or retained by the commission in the performance of an official function shall be made available to the public in compliance with Act No. 442 of the Public Acts of 1976, as amended, being sections 15.231 to 15.246 of the Michigan Compiled Laws.

Sec. 6. (1) The state board shall do all of the following:

(a) Meet not less than twice annually at the call of the chairperson.

(b) Transmit to the governor a list of individuals recommended to fill the position of executive director.

(c) One year after the original appointment of the state board, and biennially thereafter, develop a state plan for the distribution of funds from the trust fund. The plan shall assure that an equal opportunity exists for establishment of prevention programs and receipt of trust fund money among all geographic areas in this state. The plan shall be transmitted to the speaker of the house, the majority leader of the senate, to the governor, and to the appropriations committees of the house of representatives and the senate.

(d) Provide for the coordination and exchange of information on the establishment and maintenance of local councils and prevention programs.

(e) Develop and publicize criteria for the receipt of trust fund money by eligible local councils and eligible prevention programs.

(f) Review, approve, and monitor the expenditure of trust fund money by local councils and prevention programs.

(g) Provide statewide educational and public informational seminars for the purpose of developing appropriate public awareness regarding the problems of child abuse and neglect; encourage professional persons and groups to recognize and deal with problems of child abuse and neglect; make information about the problems of child abuse and neglect available to the public and

organizations and agencies which deal with problems of child abuse and neglect; and encourage the development of community prevention programs.

(h) Establish a procedure for an annual, internal evaluation of the functions, responsibilities, and performance of the state board. In a year in which the biennial state plan is prepared, the evaluation shall be coordinated with the state plan.

(2) The state board shall enter into contracts with public or private agencies to fulfill the requirements of subsection (1)(g) and may contract to fulfill the other requirements of subsection (1).

Sec. 7. The state board may recommend to the governor and the legislature changes in state programs, statutes, policies, budgets, and standards which will reduce the problem of child abuse and neglect, improve coordination among state agencies that provide prevention services, and improve the condition of children and parents or guardians who are in need of prevention program services.

Sec. 8. The state board may accept federal funds granted by congress or executive order for the purposes of this act as well as gifts and donations from individuals, private organizations, or foundations. The acceptance and use of federal funds does not commit state funds and does not place an obligation upon the legislature to continue the purposes for which the federal funds are made available. All funds received in the manner described in this section shall be transmitted to the state treasurer for deposit in the trust fund.

Sec. 9. (1) The state board may authorize the disbursement of available money from the trust fund for exclusively the following purposes, which are listed in the order of preference for expenditure:

(a) To fund a private nonprofit or public organization in the development or operation of a program if at least all of the following conditions are met:

(*i*) The appropriate local council has reviewed and approved the program. This subparagraph does not apply if a local council does not exist for the geographic area to be served by the program.

(*ii*) The organization demonstrates an ability to match, through money or in-kind services, 50% of the amount of any trust fund money received. Not more than 50% of the local match shall be in in-kind services. In-kind services are subject to the approval of the state board.

(*iii*) The organization demonstrates a willingness and ability to provide program models and consultation to organizations and communities regarding program development and maintenance.

(*iv*) Other conditions that the state board may deem appropriate.

(b) To fund local councils.

(c) To fund the state board created in section 3 for the actual and necessary expenses that the board incurs in performing its duties.

(2) Authorizations for disbursement of trust fund money under subsection (1)(c) shall be kept at a minimum in furtherance

of the primary purpose of the trust fund which is to disburse money under subsection (1)(a) and (b) to encourage the direct provision of services to prevent child abuse and neglect.

Sec. 10. In making grants to a local council, the state board shall consider the degree to which the local council meets the following criteria:

(a) Has as its primary purpose the development and facilitation of a collaborative community prevention program in a specific geographical area. The prevention program shall utilize trained volunteers and existing community resources wherever practicable.

(b) Is administered by a board of directors composed of an equal number of members from the following 2 groups:

(*i*) A representative from each of the following local agencies: the county department of social services, the department of public health, the department of mental health, the probate court, the office of the prosecuting attorney, a local law enforcement agency, a school district, and a number of private, local agencies that provide treatment or prevention services for abused and neglected children and their parents or guardians. The number of private agencies to be represented on the local council shall be designated in the bylaws of the local council by the remaining members.

(*ii*) Members of the local council elected by the membership. The elected members shall represent the demographic composition of the community served, as far as practicable.

(c) Does not provide direct services except on a demonstration project basis, or as a facilitator of interagency projects.

(d) Demonstrates a willingness and ability to provide prevention program models and consultation to organizations and communities regarding prevention program development and maintenance.

(e) Demonstrates an ability to match, through money or in-kind services, 50% of the amount of any trust fund money received. Not more than 50% of the local match shall be in in-kind services. In-kind services are subject to the approval of the board.

(f) Other criteria that the state board deems appropriate.

Sec. 11. Not later than 2 years after the effective date of this act, the state board shall promulgate rules pursuant to the administrative procedures act of 1969, Act No. 306 of the Public Acts of 1969, as amended, being sections 24.201 to 24.315 of the Michigan Compiled Laws.

Sec. 12. A thorough, independent review of the functions, responsibilities, and performance of the state board shall be completed each 5 years after the effective date of this act, and transmitted to the individuals listed in section 6(1)(c).

Sec. 13. This act shall not take effect unless the following House Bills of the 81st Legislature are enacted into law:

(a) House Bill No._____(request no. 04406'81).

(b) House Bill No._____(request no. 04406'81 a).

APPENDIX

AUTHOR: Sharon Shay, Michigan Chapter, NCPCA

CHILDREN'S TRUST FUND

Fact Sheet: Enabling Legislation

Background

The Children's Trust Fund, with revenue-generating income tax check-off and administering Board was established in 1982 with the passage of three bills, co-sponsored by Rep. Debbie Stabenow (Lansing) and Rep. Curtis Hertel (Detroit). The bills were drafted with assistance from the Michigan Chapter of the National Committee for Prevention of Child Abuse (MCPCA).

Hertel's bill, HB 4556, had been introduced and sent to the Public Health Committee in 1981, before the Trust Fund legislation was conceived. At the request of Stabenow and the MCPCA, HB 4556 was re-written and tie-barred (one cannot pass unless all do) to two new bills to be introduced by Stabenow. Using Hertel's existing bill saved valuable time.

Stabenow's bills (HB 5609 and 5610) were introduced March 30, 1982 and also referred to the Public Health Committee. There, the three bills were considered as a package. They were reported out of Committee in early June, just 2 weeks before the legislature adjourned. The bills passed the House with nearly unanimous support and were sent to the Senate Committee on Health and Social Services. They were reported out the following week and passed the Senate in the last hour of the last day before summer adjournment. On September 14, 1982, Governor William Milliken signed the bills into law -- Public Acts 211, 249, and 250 of 1982.

This span of six months between introduction and enactment was considered a rare and momentous accomplishment by those familiar with the legislative process. The "miracle" was a result of hard work on the part of Stabenow, Hertel, and other key legislators, as well as an effective state-wide network of child advocates coordinated through the Lansing Area Council for Prevention of Child Abuse, a local affiliate of the MCPCA.

Summary of Legislation

PA 211 (HB 5609): The Income Tax Check-Off

Allows eligible taxpayers to designate $2 of their refund ($4 if a joint return) to the Children's Trust Fund. Each year refunds designated are to be appropriated from the general fund to the Children's Trust Fund, with exception of an annual amount appropriated to the Department of Treasury to cover administrative costs. The check-off ends when the State Treasurer certifies that the assets in the Trust Fund exceed $20 million.

(Continued)

PA 249 (HB 5610): The Trust Fund

Creates a Children's Trust Fund in the Department of Treasury. Not more than one-half of the money contributed to the Trust Fund each year, plus the earnings credited to the Trust Fund during the previous year, are available for disbursement. The remaining half is invested.

After the $20 million ceiling is reached, only the earnings credited to the Trust Fund are available for disbursement. Funds granted, gifts, or donations are not considered assets in the $20 million ceiling and are available for disbursement upon appropriation.

PA 250 (HB 4556): The Child Abuse Prevention Board

Creates the Child Abuse Prevention Board as an autonomous unit within the Department of Management and Budget. Specifies a broad range of interests and geographic areas to be represented on the Board, with membership including 10 citizens appointed by the Governor, serving staggered 3 year terms, and five State Department Directors, or designees who can speak on their behalf. The Departments to be represented include the State Police, Social Services, Mental Health, Public Health, and Education.

The Board appoints an Executive Director, who is a member of the state classified civil service, and approves any additional staff and job descriptions proposed by the Executive Director.

Defines the powers and duties of Board: (Section 6)

1. Develop a state plan for distribution of funds every two years.
2. Provide information on the establishment and maintenance of prevention programs.
3. Develop/publicize criteria for receipt of Trust Fund money.
4. Review, approve, and monitor expenditure of Trust Fund money.
5. Provide educational seminars/public awareness, encourage and coordinate development of local councils and community prevention programs. These services are to be provided through contract, not directly by Board.
6. Establish procedure for annual evaluation, coordinated with state plan.
7. Recommend to the Governor and the Legislature changes in state programs which will reduce child abuse/neglect and improve coordination.

(Continued)

PA 250 (continued)

Defines how Trust Fund money may be used: (Section 9)

1. Fund private non-profit or public organization in the development of prevention program. The organization must provide 50% match (a portion of which may be in-kind as determined by the Board) and have proposal approved by the local Council, if one exists, in that geographic area.

2. Fund local Community Councils whose primary purpose is the "development of a collaborative community prevention program in a specified geographical area". Specifies guidelines for structure of Council and requirement of 50% local match, a portion of which may be in-kind as determined by the Board.

3. Fund the state Board for actual and necessary operating expenses incurred in performing duties.

SS/2-83